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REPORT No 4

ANALYSIS OF REPORTING RE- QUIREMENTS FOR ENTER- PRISES TO THE SOCIAL INSUR- ANCE FUND

Prepared for
The Social Insurance Fund of Armenia
Prepared by
PADCO Armenia Social Transition Program

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PLANNING AND DEVELOPMENT COLLABORATIVE INTERNATIONAL
Development Solutions for the 21st Century

PREFACE

Under USAD Contract No. 111-C-00-00-00114-00, PADCO is providing assistance to the Government of Armenia on social sector reform issues. PADCO is charged with the responsibility of developing recommendations for the GOA to improve MIS and databases in order to provide the capacity to analyze and implement reforms and to improve the operations of social protection programs.

Under Task 1B:T4, PADCO is supporting the design and development of accounting and auditing systems to prevent fraud and abuse in social protection programs. Under Task 1C:T1, PADCO is reviewing existing databases and MIS systems used by the Ministry of social Security in administering social protection programs. Under Task 1C:T3, PADCO is assisting the GOA to develop personified reporting systems for social protection programs. Under Task 1C:T6 PADCO is supporting the GOA to develop an integrated database to be shared among government agencies involved in social protection issues.

In order to undertake these tasks, the AST team is conducting an examination and assessment of current systems through which enterprises and other legal entities report information to key counterpart ministries. This report is one of a series that has been conducted for the AST team under subcontract by Aucon, an Armenian accounting and consulting firm.

ABBREVIATIONS AND TERMS

AST =	Armenia Social Transition Program
BBP =	Basic Benefits Package
CHI =	Compulsory Health Insurance
CSR =	Civil Status Registry (records births deaths & marriages, is subordinated to the Ministry of Justice)
CFA =	Center for Analysis – in the MOH, issues reports based on administrative reports from health care providers
FBP =	Family Benefit Program – administered by the Mergelyan Institute but to be transferred to the MOSS
GOA =	Government of Armenia
HIE =	Household Income and Expenditure Survey, conducted annually by the National Statistical Service
MFE =	Ministry of Finance and Economy, responsible for developing overall economic policy, ensuring auditing and reporting standards
MOH =	Ministry of Health
MOJ =	Ministry of Justice, responsible for registering births, deaths and marriages through the CSR
MOSS =	Ministry of Social Security
MSR =	Ministry of State Revenues, responsible for collecting taxes
NA =	National Assembly
Normative acts =	Laws of parliament, decrees of the President, ministerial decrees and instructions, that, together, form the legal and regulatory framework for social protection programs
NSS =	National Statistics Service
PIN =	Personal Identification Number
REL =	Republic Employment and Labor Service, responsible for administering unemployment insurance benefits and providing job and training information -- subordinated to the MOSS
RSSC =	Regional Social Security Center – there are 52 local RSSCs through which social services are delivered to the population of Armenia
SHA =	State Health Agency
SIC =	State Insurance Commission
SIF =	State Social Insurance Fund, which is administratively independent (but must follow MOSS policy), responsible for collecting payroll contributions and for distributing mandatory insurance benefits including old age, survivor, and disability pensions, and many small social benefits such as childcare benefits to mothers caring for young children, funeral allowances
SRC =	Securities Regulatory Commission
SSIF =	The 51 local offices of the Social Insurance Fund responsible for collecting payroll contributions and distributing social insurance benefits

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1. INTRODUCTION

The Social Insurance Fund is the state body responsible for collecting mandatory social payments and distributing social insurance benefits. The fund is a legal entity with the following principal objectives and activities:

1. Record keeping and collection of social contributions and provision of financial resources for state social programs.
2. Managing the registration as entities responsible for paying contributions on behalf of employed people employers, farmers, self-employed and individuals engaged in scientific and creative activities.
3. Managing the distribution of social insurance benefits.
4. Overseeing financial flows associated with the implementation of social insurance programs.
5. Auditing accounting records and statements with respect to social insurance contributions.

2. THE SIF'S STRUCTURE AND REPORTING SYSTEM

2.1. INTRODUCTION

The central office of the Fund conducts its activities through 10 Marz Departments (including Yerevan) and 51 Territorial Centers (SSIFs) located throughout the country. Each SSIF serves a specified geographic area and is divided into a divisions for collecting social insurance contribution and a division for distributing social insurance benefits. SSIFs are accountable to their Marz Departments (except in Yerevan, where these centers directly report to the central office of the SIF). Marz Departments, in turn, report to the Central Office of the Fund.

All the centers, Marz Departments, and the Fund are computerized. Software has been developed for maintaining and updating data on social contributions and on social benefit distributions. Initial data from social insurance contributors and pensioners is entered into software database in the SSIFs from where it is sent to the Marz Departments and then to the SIF via floppy disks. At the Marzes and at the SIF, data is aggregated as well as statistics summarized. This ensures that each Marz has information on each contributor¹ and pensioner registered within its territory. Information on all employers and pensioners is available in the Fund. The Fund lacks, however, any data on the number of people covered by social insurance contributions of their employers.

2.2. THE OBLIGATIONS TO THE SIF OF EMPLOYERS, FARMERS, THE SELF-EMPLOYED AND PERSONS ENGAGED IN SCIENTIFIC ACTIVITIES

The "Law on Mandatory Social Insurance Payments" (reproduced as Appendix 1) defines the categories of legal entities and persons who are responsible for paying contributions and defines the timing and the rate of contribution payments for these categories. These are:

- Employers
- Employees²
- Persons engaged in scientific and creative activities
- Farmers
- Self-employed

2.3. REGISTRATION WITH THE SIF BY MANDATORY CONTRIBUTORS

Article 10 of the "Law on Mandatory Social Insurance Payments" requires employers, the self-employed, and individuals engaged in scientific activities to register as insurers with the SIF according to procedures es-

¹ A contributor is the person (in the case of entrepreneurs) or the legal entity that is responsible for computing, withholding and transferring social insurance contributions to the Fund.

² Contributions from employees are calculated, withheld and paid to the Fund by their employers.

tablished by Government. Employers, farmers and the self-employed must registered where they conduct their business. Individuals engaged in scientific and creative activities must register at their place of residence.

Under GOA Decree No. 352, approved 6/8/98, all enterprises, organizations, establishments, farmers, and individuals engaged in scientific and creative activity have to registered as insurers in the Fund within one month of registering their status with the State. To register as an insurer with the SIF, employers, self-employed, and persons engaged in scientific and creative activities must submit relevant data to their SSIF according to Form 1 (reproduced in Appendix 2). SSIFs assign an identification number to each insurer and notify the registrant using the Form 2 (reproduced in Appendix 2).

If self-employed people changes their place of residence or place of business within 10 days of the change, they are required to notify the SSIF and the SSIF provides a statement of social insurance contributions to the SSIF in their new location using Form 3 (reproduced in Appendix 2).

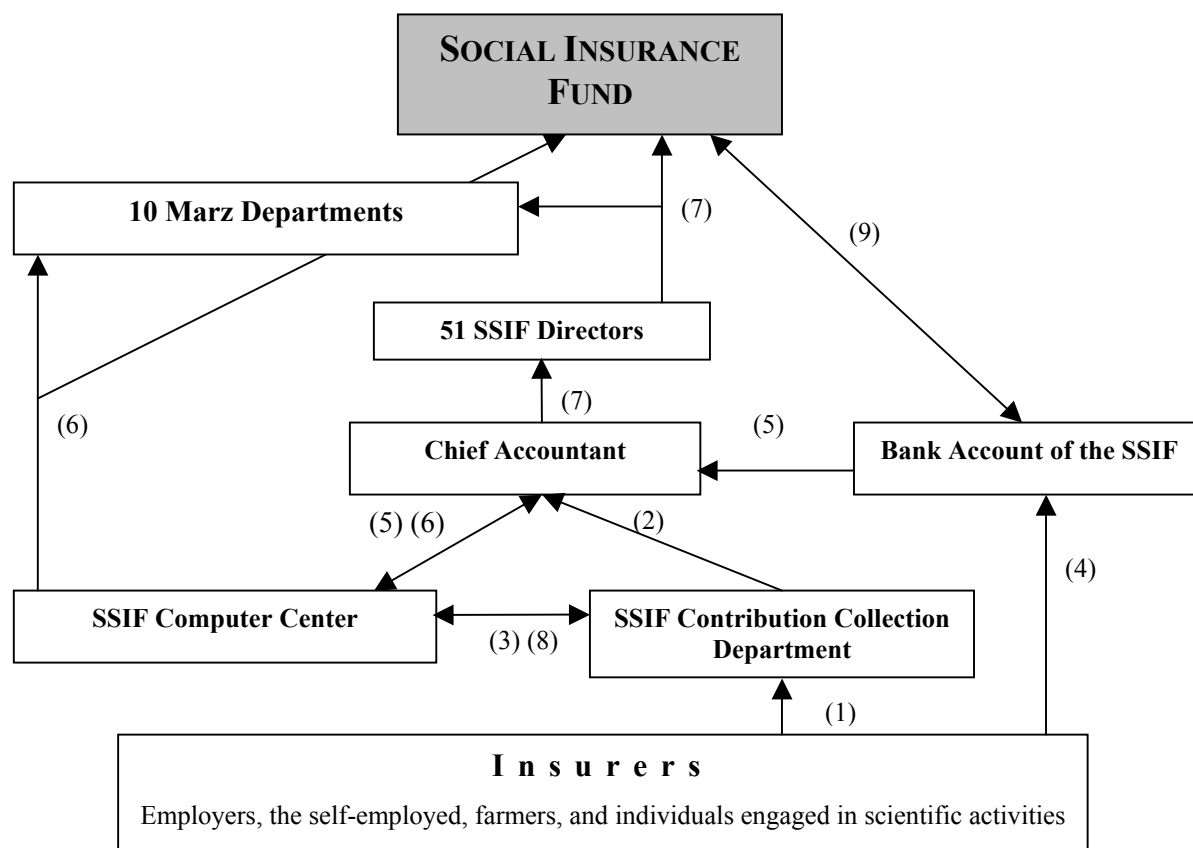
2.4. FLOW OF REPORTS AND PAYMENTS OF SOCIAL INSURANCE CONTRIBUTIONS

Insurers must submit regular reports to the SSIF where they are registered. Inspectors in the SSIFs collection department are responsible for reviewing and filing the reports. Each inspector serves a specific type of insurer (budgetary or non-budgetary organization, self-employed, farmers, persons engaged in scientific and creative activity). Inspectors summarize reports received and submit the summary to the chief accountant. The reports are then sent to the computer center where computer operators, with the assistance of the inspector who received the report, enter it into the database. Once the data for the appropriate reporting period is entered, the computer department develops summary reports that are returned to the chief accountant. The chief accountant compares the data prepared by the inspectors manually with the data provided from the computer center. Based on this, a summary report is prepared which is submitted to the Marz Departments and the SIF. Both summary and individual information on each insurer is transmitted also to the databases of the Marz Departments and Fund via floppy disks. In Yerevan the information is transmitted via e-mail. Complete information on each insurer is compiled in the SIF's centralized database.

Contributions collected are collected into a single SIF bank account. These revenues are allocated to SSIFs to be distributed as social insurance benefits and to meet the operating expenses of SSIFs. The Chief accountant of the SSIFs compiles notifications from the SSIF bank account of payments made by insurers and submits these to the SSIF's computer center. Once entered into the database these bank notifications of payments are sent from the computer center to the chief accountant who distributes them to the appropriate inspectors to be filed in each insurer's individual file. Farmers do not submit reports. In most cases social insurance contributions from this type of insurer is collected by inspectors on visits. The flow of reports and payment notifications is shown in the chart on the following page.

Insurers submit reports by hand or via mail. Reports cannot be submitted via electronic mail because of normative and technical constraints. Reports should be signed and sealed by the insurer, therefore they must be submitted on paper. Even if the law allowed submission via electronic mails most of the insurers would not use this opportunity because they do not have the necessary communication facilities and computers.

FIGURE 1: THE STRUCTURE OF REPORTING AND DATABASE MAINTENANCE SYSTEMS FOR SOCIAL INSURANCE PAYMENTS AND BENEFIT DISTRIBUTIONS



KEY TO FINANCIAL AND INFORMATION FLOWS

- (1) Insurers submit reports to SSIF's collection department that are revised and approved by inspectors.
- (2) Inspectors prepare summaries of insurers' reports for each category of insurer (enterprises, self employed, etc.) that are submitted to the SSIF Chief Accountant
- (3) Inspectors submit reports from each insurer to the SSIF Computer Center where operators enter the report into the computerized insurer database and return the reports to the collection department.
- (4) Insurers pay payroll tax contributions to the bank account of the SSIF which is transferred to the SIF
- (5) Chief accountant of the SSIF receives information confirming payment into SSIF account from each complying insurer for the reporting period and submits reports to the SSIF computer center which are then entered into computerized receipts database
- (6) Computer center prepares summary reports of payments into fund and reports submitted by insurer and submits these to SSIF Chief Accountant and to Marz Department and to central SIF
- (7) Chief accountant compares reports prepared by collections department and computer center. From these, he prepares a summary report that is submitted to Marz Department and to SIF and is also submitted to SSIF director for approval.
- (8) Computer center returns each payment notification to the SSIF chief accountant who distributes them to the inspectors responsible for reviewing the insurers report who maintains them in the individual file for the insurer
- (9) SIF receives payments from SSIF accounts and reallocates them to SSIFs based on SSIF's obligations for social insurance benefit payments

2.5. ELECTRONIC SUPPLY OF INFORMATION BY INSURERS

Employers pay social insurance contributions for each employee at the rate of 28% on the amount of salary and salary equivalents (which includes bonuses, and other income and in-kind payments that comprise total

salary – see below). The contribution for each month should not be less than 5000 AMD for each employee and should not exceed 20,000 AMD when total salary is less than 200,000 AMD and 20,000 AMD plus 28% of the amount exceeding 200,000 AMD but not more than 30,000 AMD when total salary exceeds 200,000 AMD.

The “Law on the Mandatory Social Insurance Payments” requires employers to calculate and transfer social insurance contributions each month on the day when money is disbursed from the bank or cash paid for salaries.

The President of the SIF approved the form of the reports required by employers on 9/25/00. According to Armenian legislation, the form should be registered in the Ministry of Justice. However it has not yet been registered because further changes are expected in the Law that will change the content of the current form and require further changes in the registration form.

2.6. EMPLOYEES’ CONTRIBUTIONS TO THE SIF

Each employee must pay social insurance contributions at the rate of 3 percent of his/her salary and salary equivalents. The contribution each month should not exceed 2,500 AMD. Employers are responsible for withholding this amount and paying it to the Fund. The employee has no responsibility for payment of social insurance contributions.

2.7. SALARY AND SALARY EQUIVALENTS

Salary, and salary equivalents, are defined by Decree 352, 6/8/98, to include the following sources:

1. Basic and additional salary including all types of bonuses – salaries paid for overtime work, for night work, for work performed on rest days and vacations;
2. Monetary rewards regardless of payment frequency or source of finance;
3. Remuneration for additional work performed outside normal employee's responsibilities;
4. Fees paid to educational institutions as well as fees paid for participation in training courses;
5. Remuneration paid for additional monthly vacations;
6. Remuneration received in kind;
7. Remuneration paid during work stoppages or lay-offs;
8. Royalties paid for the use of copyrights;
9. Payments for the use of inventions, equipment, and industrial prototypes and test products; and
10. Payments for enforced absence from work when the employee is rehired by court order.

2.8. SOCIAL INSURANCE CONTRIBUTIONS BY SELF-EMPLOYED AND PERSONS ENGAGED IN SCIENTIFIC AND CREATIVE ACTIVITY

The “Law on Mandatory Social Insurance Payments” requires the self-employed and people engaged in scientific and creative activity to pay contributions by March 1 in the following year at a rate of 20% of income net of expenses allowed under the “Law on Personal Income Tax” (excluding mandatory social insurance contributions). Monthly contributions cannot be less than 1500 AMD or exceed 20,000 AMD. While the Fund has developed and approved a single form of report for employers there is no such form for the self-employed and persons engaged in scientific and creative activities. Each center has developed its own form for these entities that should be submitted by 1st of March.

2.9. SOCIAL INSURANCE CONTRIBUTIONS OF FARMERS

Farmers need submit reports because their contributions are based on the net cadastral income defined by Government Decree 237, 7/97. This defines normative net incomes from lands in different areas and used for different purposes. For example, a farmer with one hectare of vineyard in Ararat Marz is imputed as earning 222,000 AMD annually. This is the basis for calculating social insurance contributions and property taxes owed. The annual rate of social insurance contribution is 12% on this imputed cadastral income. Total contributions from a single farmer cannot exceed 150,000 AMD annually. But farmers who hire employees must also submit reports and make contributions as employers.

2.10. SOCIAL BENEFITS PAID BY EMPLOYEES ON BEHALF OF THE SIF

There are five types of benefits defined by Government Decree No. 584, 1992, that employers must pay and that can be deducted from social contributions due:

1. Benefits for temporary disability;
2. Benefit for pregnancy and delivery;
3. Benefit for the sick member of the family;
4. Lump-sum benefit for childbirth; and
5. Funeral expenses

These benefits are paid by the enterprise through a special committee and deducted from social contributions payable. If the amount allocated for payroll contributions is less than these benefits, the employer is still liable to pay all benefits at its own expense, to be reimbursed later by the SIF.

3. USE OF REPORTS BY THE SIF

3.1. INTRODUCTION

Reports received from employers, the self-employed, persons engaged in scientific activities as well as data regarding farmers are summarized and submitted to the SIF on computers. In the SIF, data are used for analytical and for preparing policy proposals for the GOA. The SIF also provides information to other state agencies such as the National Statistical Service (NSS), the Ministry of State Revenues (MSR), and the Ministry of Social Security (MOSS). The SSIFs use the data to enforce compliance. The percentage breakdown of the Fund's budget as of 01 August 2000 is³.

Table: Execution of SIF Budget As of August 2000 (000 dram)

BUDGET CATEGORY	YEAR 2000, 1 ST SEMI-ANNUAL		
	Projections	Actual	Executed %
<i>Balance at the beginning of the period</i>		101.2	
TOTAL REVENUE	21389.0	15692.5	73.4
<i>1. Contributions from payroll:</i>	<i>18126.6</i>	<i>13316.9</i>	<i>73.5</i>
• From employers	15666.6	11976.7	76.4
• From employees	1530.4	1155.0	75.5
• From self-employed	414.6	87.3	21.1
• From farmers	515.0	97.9	19.0
<i>2. Allocations from State Budget:</i>	<i>3252.5</i>	<i>2358.5</i>	<i>72.5</i>
• Pensions to officers	1983.1	1330.9	67.1
• Pensions to soldiers	1260.8	1024.0	81.2
• Compensation for injury sustained at work	8.6	3.6	41.9
<i>3. Interest on bank accounts</i>	<i>9.9</i>	<i>17.1</i>	<i>172.7</i>

The sectors with the largest outstanding debts are insolvent farmers and enterprises. The "Law on Mandatory Social Payments" gives the SIF the right to confiscate insurers' property if the deadline for arrears payment has passed and the insurer has not cleared the debt. This enforcement mechanism is applied to enterprises with property but not to farmers because they are insolvent and confiscation of their property could lead to social problems. There is general agreement that the average net cadastral income imputed by the Government is much higher than the actual income.

4. REPORTS REQUIRED FROM EMPLOYERS, SELF-EMPLOYED, AND PERSONS ENGAGED IN SCIENTIFIC AND CREATIVE ACTIVITY

Two types of reports are required from employers and self-employed and persons engaged in scientific and creative activities. Farmers submit reports designed for employers in cases where they have hired employees

³ Figures from draft report of the World Bank

4.1. REPORTS SUBMITTED BY EMPLOYER

The reporting form for employers is attached as Appendix 3 and is submitted to their respective SSIFs quarterly. Currently, the report consists of five pages including the insert⁴. The first page shows mandatory data including name, registration number, type of activity, address, date of submission etc.

In the first row of the columns “List number of employees”, “Outstanding salary fund”, “Social contributions” (paid on the total wage bill – not attributed to individual employees) in table 1,2 data submitted in the prior year's report is included. In the subsequent rows, data from the reporting period is to be completed.

In the column “List number of employees,” the number of employees at the end of the reporting period is indicated. Data for the reporting period in the columns “Salary Funds Outstanding “ and “Social Contributions” are to be completed by adding the data of the first row to the difference of respective data taken from “Total from the beginning of the year” in table 3 and table 4”. For example, to complete the “Salary Fund Outstanding” for the reporting period in table 1,2, the respective data in the same table's first row is added to the difference between “Outstanding Salary from the beginning year” in table 3 and the “Outstanding Salary from the beginning year” in table 4.

The first row of the columns “Balance in “Bank Account” and “Cash”“ in table 1,2 shows figures for the beginning year from the general ledger's respective accounts. Data for the year ending are calculated by adding the inflow and outflow of the funds to the balance at the beginning year.

In table 3, accrual data is completed in contrast to the actual data in table 4. Row 7 of table 3 and Row 8 of table 4 are completed only by taxpayers referred to as “simplified taxpayers”. The “Law on Simplified Tax” is applied from July of 2000, targeted to certain types of businesses, such as merchandising in shops and kiosks, as well as catering services. The law substitutes simplified tax for VAT and profit tax. It facilitates record keeping for these types of businesses to reduce their tax burden. The law also defined a fixed 6 000 AMD monthly social insurance contribution for each employee, required of employers paying simplified taxes each month instead of contributions defined by the “Law on Mandatory Social Insurance Payments”.

In the column “Number of Employees” the number of salaries paid to employees is computed rather than the number of employees to whom salary was computed and paid. For example if an employee is paid salary for eight months, in the column “Number of employees,” 8 is inserted instead of 1, and in the column FAS (funds allocated for salary), the total amount of the salary is inserted.

Daily rate for temporary disability and funeral expenses in table “Outgoing expenses of the insurer” (table 5) should not exceed 1,600 AMD and 3000 AMD respectively. Lump-sum benefit for childbirth is 5,900 AMD under GOA Decree N 584, 1992.

Table 6:

Row 1: “Balance of the debt at the beginning of the year”. The first row “Debt balance at the beginning of the year (arrear, overpayment, fines)” indicates the data reflected in row 12 of the same table in the last year's last quarter report.

Row 2: “Social Insurance Contributions and fines accrued from previous quarters”. The accrual column's figure of “Social insurance contributions and fines accrued from previous quarters” is taken from the “Total social insurance contributions” row matching the column 4 of table 3 in insert sheet. The actual column is also taken from insert sheet but from the respective column and row of table 4 (Actual table).

Row 3: “Paid social insurance contribution and fines in previous quarters”. The amount of social insurance contributions and fines paid in previous quarters must be completed. The same amounts are completed in actual and accrual columns.

⁴ In July of the year 2000 the National Assembly enacted an amendment into the Law on Mandatory Social Contributions according to which rates of Social Contributions were changed. The law is enforced since August, which falls into the third quarter (July, August, and September). Enterprises should submit their reports in accordance with pre-amendment rates for July and in accordance with the new rates for August and September. As the report is submitted quarterly and not for each month an insert was designed into the basic form of report to provide the transition from the old rates to the new ones. This insert will not appear for the reports of the following quarters provided the rates do not change.

Row 4: “Balance of the debt at the beginning of the reporting quarter”. Is completed by adding row 1 to row 2 and deducting row 3. In the accrual part of the row 4 the accrual debt is completed and in the actual part the debt outstanding as of the beginning of reporting period is completed.

Row 5: “Social insurance contributions accrued in reporting period”. Is completed by adding the respective amounts of tables 3 of the main form of report and the insert.

Row 6: “Paid social insurance contributions in the reporting quarter”. Both in actual and accrual columns amount of paid contributions and fines should be completed.

Row 7: “Total of the social insurance contributions to be paid from the beginning of the year”. Is completed by adding up the amounts of the rows 1, 2 and 5.

Row 8: “Amount of the benefit payable to the physically handicapped for injuries sustained in work since 1996”. Both in accrual and actual columns amounts payable to the Fund by the employers is completed.

According to the “Law on State Pension Security for the Citizens of RA”, this type of benefit is paid regardless of work experience. According to the Law and to Article 23 of the “Law on State Pension Security for the Citizens of RA,” the benefit is paid by the Fund from the account of the employer. In cases where the employer is liquidated, it’s successor is liable to reimburse the cost of these pensions; in cases where there is no successor, the fund pays the pensions from it’s own account.

Row 9: Expenses of the insurer on the account of social insurance contributions. Taking the grand total of table 5 completes this row.

Row 10: “Moneys received from the Fund”. The amount allocated from the Fund to the employer is completed (see Row 9).

Row 11: “Total of paid Social Insurance Contributions”. This amount is received by adding together the figures of rows 3 and 6.

Row 12: “Balance of the debt at the end of reporting quarter”. Balance at the end of the year is received by the following formula:

$$\text{Row 12} = \text{Row 7} + \text{Row 8} + \text{Row 10} - \text{Row 9} - \text{Row 11}$$

4.2. REPORTS SUBMITTED BY SELF-EMPLOYED AND PERSONS ENGAGED IN SCIENTIFIC AND CREATIVE ACTIVITY

Reports from the self-employed and persons engaged in scientific and creative activity are different from those required from employers. Statements required by territorial center in Masis (in Ararat Marz) are attached in Appendix 4. Two types of statements are developed by the SSIF for the self-employed and persons engaged in scientific and creative activity. The first is designed for persons who did not earn income in the reporting period – a one-page report consisting of general data about the self-employed person and a statement of non-performance of any work. The other type of statement is designed for a person who was active and received revenues in the reporting period. In this statement revenues are matched with expenses for the reporting period based on which social insurance contributions are computed and paid to the Fund.

ATTACHMENT 1: FORM 1: DATA REQUIRED FOR THE REGISTRATIONS IN THE FUND AS AN INSURER

1. Please register _____
(Full name of the employer, name of the individual performing economic activity, number

_____ of license or Certificate of Registration, name of the awarding body, date of expiry)

in the Social Insurance Fund as insurer.

2. Address _____
(marz, city (village)

_____ (Post index, performance and residence address)

3. Telephone number _____
(Work and home)

4. Account number _____
(Name and the code of the serving bank also should be mentioned)

5. Salary and salary equivalents are to be paid on _____

6. _____
(Month, date)

Seal:

Director: _____
(Signature, name, surname)

Chief accountant: _____
(Signature, name, surname)

Farmer, self employed, person engaged in scientific and creative activity (should be underlined)

(Signature, name and surname)

“ ” _____ 199_

ATTACHMENT 2: FORM 2: NOTIFICATION ON THE REGISTRATION IN SOCIAL INSURANCE FUND

(Full name of the employer, name of the individual performing economic activity)

(Performance and residence address, marz, city (village), post index)

1. Hereby we inform that based on the data submitted by you, your registration number in the Social Insurance Fund is _____ that should be reflected in all the documents related to the payments of social insurance.
2. Calculation and payment of mandatory Social Insurance Payments must be carried out in accordance with the Law on Mandatory Social Insurance Payments. The amount should be paid to the account number 807_____ opened with the bank serving your territorial center of Social Insurance Fund.
3. Reports on the payments of Mandatory Social insurance Contributions should be submitted till the 25 of the month following the reporting quarter.

Seal

Director of Social Insurance Fund _____ SSIF

(Name, surname, signature)

Telephone number _____

ATTACHMENT 3: FORM 3: REFERENCE ON THE PAYMENTS OF MANDATORY SOCIAL INSURANCE CONTRIBUTIONS TO THE SO- CIAL INSURANCE FUND

(Name, surname, address and place of performance)

has made social insurance contributions to the Social Insurance Fund of the RA for the period beginning from 199 _____ ending in 199 _____.

Seal

Director of Social Insurance Fund _____ Territorial Center

(Name, surname, signature)

Note: This reference is a document certifying duration of working experience.

Table 6: Calculation on Mandatory social contributions, amounts to be paid for injury sustained in work, expenses made by the insurers and amounts received from the Fund

thousand drams

Social contributions, expenses and funds received from the Fund		According to insurers data		According to the territorial center data	
		Accrual	Actual	Accrual	Actual
1	Debt balance at the beginning of the year				
	Arrears				
	Overpayment (-)*				
2	Fines				
	Social contributions accrued from previous quarters				
	Fines**				
3	Paid social contributions in previous** quarters				
	Fines**				
	Debt at the beginning of the reporting quarter				
4	Arrears				
	Overpayment (-)*				
	Fines 4=1+2+3				
5	Social contributions accrued in the reporting period				
	Fines**				
	Paid social contributions in the reporting quarter				
6	Fines**				
	Total of the social contributions to be paid from the beginning of the year				
	Amount of the pension payable to the physically handicapped for injuries sustained in work since 1996				
9	Expenses made by the insurer on the account of social contributions				
10	Moneys received from the Fund				
11	Total of paid Social Contributions				
	Fines 11=3+6				
	Balance of the debt at the end of reporting quarter				
12	Arrears				
	Overpayment (-)*				
	Fines 12=7+8+9+10-11				

* In this row amounts must be written with minus sign

** In this rows accrual column data of actual column must be filled in

APPENDIX 4: APPROVED BY PENSION & EMPLOYMENT FUND COUNCIL**June 3, 1998, Decree N 20**

Regional center of _____ pension insurance

Name of the insurer _____

Code of insurer Date of registration Registration code in The State Registry Date of registration

Type of activity _____

Registration address _____ tel. _____

Performance address _____ tel. _____

STATEMENT ABOUT 199__ NOT FULFILLMENT OF ACTIVITY

Hereby, I inform that I haven't performed activity in ____ and did not receive revenue.

Self Employer _____

(Surname, name)

The statement was accepted by Regional Center of Pension Insurance specialist _____
(Surname, name)

To Mr. (Ms.)

Director of RA Social Insurance Fund's
_____ regional center

STATEMENT

I, _____
(The name, surname, patronymic of the self – employer)

(Legal address, telephone and place of performance)

(The date, month and the code of the State registry)

I inform you, that during my performance received:

In 199__ dram revenue from which social contribution is calculated _____ dram

In 199__ dram revenue from which social contribution is calculated _____ dram

In 199__ dram revenue from which social contribution is calculated _____ dram

Mandatory payments to Social Insurance Fund will be _____ dram in total.

I am responsible for the reliability of the amounts reflected in this statement.

(Signature of the self – employer)

The statement was accepted by

(The name, surname, patronymic of the specialist)

Masis regional center of Social Insurance Fund

**STATEMENT ON THE REVENUES RECEIVED BY THE SELF - EMPLOYER DURING THE
1999 FISCAL YEAR**

Part 1: General information

(Surname)	(Name)	(Patronymic)
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Identification number of social insurance payer	Certificate number
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Permanent address and tel. of residence

Type and place of activity

The months of performance during the fiscal year	1	2	3	4	5	6	7	8	9	10	11	12
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Part 2: Calculations of yearly social contributions

	Items	Data on social insurance payer	Social insurance regional center
1.	Revenue		
2.	Expenses including: a) Supported by documents b) Not supported by documents /within the limits of 5% revenue received from entrepreneurship		
3.	Taxes, duties, amount of value added tax that is deductible		
4.	Yearly taxable income: $4=1-2-3$		
5.	Yearly amount of social contribution $4*20\%/100$		
6.	Paid social insurance		
7.	Amount outstanding		

The statement was represented by the date of representation _____
(Signature)

The statement was accepted by: _____
(Name, surname) (Signature)

The registration code of Social Insurance regional center: _____